



4004

ANNUAL REPORT

OF

Name: UNION TELEPHONE COMPANY

Principal Office: 100 WEST NORTH STREET
P.O. BOX 96
PLAINFIELD, WI 54966-0096

For the Year Ended: DECEMBER 31, 1999

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
CO	.....	Central Office
Depr	.....	Depreciation
Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
FOY	.....	First of Year
Info	.....	Information
ITC	.....	Investment Tax Credit
Misc	.....	Miscellaneous
Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
Prop	.....	Property
Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
Svcs	.....	Services
Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: UNION TELEPHONE COMPANY
Utility Location: 100 WEST NORTH STREET
P.O. BOX 96
PLAINFIELD, WI 54966-0096

Utility Web Site Address:

When was utility organized?: 07/15/1900

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: DWIGHT BOWDEN
Title: GENERAL MANAGER

Office Address: 100 WEST NORTH STREET
P.O. BOX 96
PLAINFIELD, WI 54966

Fax Number: (715) 335 - 6305
Telephone Number: (715) 335 - 6301
Email Address:

Individual or firm, if other than utility employee, preparing this report

Name: KIESLING ASSOCIATES LLP
Title: ACCOUNTING FIRM
Firm: KIESLING ASSOCIATES LLP
Office Address: 6401 ODANA ROAD
MADISON, WI 53719

Fax Number: (608) 273 - 2383
Telephone Number: (608) 273 - 2315
Email Address:

Person responsible for financial information contained in report

Name: DWIGHT BOWDEN
Title: GENERAL MANAGER

Office Address: 100 WEST NORTH STREET
P.O. BOX 96
PLAINFIELD, WI 54966

Fax Number: (715) 335 - 6305
Telephone Number: (715) 335 - 6301
Email Address:

Person responsible for statistical information contained in report

Name: DWIGHT BOWDEN
Title: GENERAL MANAGER

Office Address: 100 WEST NORTH STREET
P.O. BOX 96
PLAINFIELD, WI 54966

Fax Number: (715) 335 - 6305
Telephone Number: (715) 335 - 6301
Email Address:

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: BEULAH M. SEVERNS ESTATE

Address: WAUTOMA, WI 54982

Number of Shares Held: 9,361

Beneficial Owner: NONE

Name: DWIGHT H. BOWDEN

Address: ALMOND, WI 54909

Number of Shares Held: 15,421

Beneficial Owner: NONE

Name: WILL OF A.H. BOWDEN, TRUST I

Address: ALMOND, WI 54909

Number of Shares Held: 18,263

Beneficial Owner: NONE

Name: WILL OF A.H. BOWDEN, TRUST II

Address: ALMOND, WI 54909

Number of Shares Held: 9,132

Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: NONE

Form of Interest: NONE

Extent Of Interest: NONE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	3,678,556	3,428,251	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	606,296	449,248	2
Plant Nonspecific Operations Expense	1,225,636	1,266,770	3
Customer Operations Expense (6610-6620)	407,662	340,510	4
Corporate Operations Expense (6710-6790)	301,430	285,060	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	482,015	450,548	7
Total Operating Expenses	3,023,039	2,792,136	8
Net Operating Income	655,517	636,115	9
Other Income			
Nonoperating Income and Expense (7300)	769,807	496,584	10
Nonoperating Taxes (7400)	285,659	200,853	11
Interest and Related Items (7500)	195,580	199,104	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	71,183	46,427	14
Total Nonoperating Income	359,751	143,054	15
Net Income	1,015,268	779,169	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

The accounting policies of the Company conform to generally accepted accounting principles. Management uses estimates and assumptions in preparing its financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the company are maintained in accordance with Uniform System of Accounts for Class A and B Telephone Companies prescribed by the Federal Communications Commission as modified by the Public Service Commission of Wisconsin (PSCW).

A. Property and Equipment

Telephone plant is capitalized at original cost, including the capitalized cost of salaries and wages, materials, certain payroll taxes, and employee benefits.

The Company provides for depreciation for financial reporting purposes on the straight-line method by the application of rates, based on the estimated service lives of the various classes of depreciable property.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation, together with removal cost less any salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operations expense.

B. Income taxes

Income taxes are accounted for using a liability method and provide for the tax effects of transactions reported in the financial statements including both taxes currently due and deferred. Deferred taxes are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include the difference between carrying amounts of depreciable assets and partnership investment basis. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Investment tax credits (ITC) which were deferred prior to the Tax Reform Act of 1986 are being amortized over the regulatory life of the plant which produced the ITC

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

which produced the ITC.

C. Revenue Recognition

Revenues are recognized when earned regardless of the period in which they are billed.

Revenues relating to the provision of access services to customers are derived, in part, from tariffed access charges to toll service providers (interexchange carriers), and in part from sharing in interstate and intrastate pools. Interstate revenues are determined in accordance with nationwide average cost schedules.

The Company is compensated for intrastate access under access charge procedures based on expense and plant investment levels, as determined by the Company and approved by the PSCW.

D. Cash Equivalents

All highly liquid investments purchased with a maturity of one year or less are considered cash equivalents.

E. Investments

Non-marketable equity investments and temporary investments are stated at cost.

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None

-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The mortgage to the United States of America, underlying the RUS notes, contains certain restrictions on the declaration of payment of cash dividends, redemption of capital stock, or investment in affiliated companies. As of December 31, 1999, the maximum amount which could be distributed in accordance with these restrictions was \$4,254,000, except as might be specifically authorized in writing in advance by the RUS noteholders.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	1,862,002	1,728,737	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	1,862,002	1,728,737	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	229,289	230,553	6
Accounts Receivable Allowance-Telecom (1181)*	0		7
Net: Telecommunications Accounts Receivable	229,289	230,553	
Other Accounts Receivable (1190)*	341,598	325,352	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	341,598	325,352	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	27,699	27,823	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	598,586	583,728	
SUPPLIES			
Inventories (1220)*	8,363	36,826	13
TOTAL SUPPLIES	8,363	36,826	
PREPAYMENTS			
Total Prepayments (1280)*	11,099	54,329	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	11,099	54,329	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	21,747	38,449	20
TOTAL OTHER CURRENT ASSETS	21,747	38,449	
TOTAL CURRENT ASSETS	2,501,797	2,442,069	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	142,000	120,000	21
RTB Class B Stock (1402)*	0	0	22
Other Investments in Nonaffiliated Companies (1402)*	3,808,712	4,562,470	23
Nonregulated Investments (1406)*	38,813	41,241	24
Unamortized Debt Issuance Expense (1407)*	0		25
Sinking Funds (1408)*	0	0	26

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	13,260		27
TOTAL INVESTMENTS	4,002,785	4,723,711	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	45,802	49,113	28
Deferred Maintenance and Retirements (1438)*	0	0	29
Deferred Charges (1439)*	9,750		30
TOTAL DEFERRED CHARGES	55,552	49,113	
TOTAL NONCURRENT ASSETS	4,058,337	4,772,824	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	14,669,878	12,968,741	31
Less: Accumulated Depreciation (3100)*	7,581,260	7,559,852	32
Less: Accumulated Amortization--Capitalized Leases (3410)*	0		33
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0		34
Less: Accumulated Amortization--Intangible (3500)*			35
NET TELECOMMUNICATIONS PLANT IN SERVICE	7,088,618	5,408,889	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0		36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0		37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0		38
Less: Accumulated Depreciation--Nonoperating (3300)*	0		39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	0	34,800	40
TOTAL TPUC	0	34,800	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0		41
Less: Accumulated Amortization--Other (3600)*	0		42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	7,088,618	5,443,689	
TOTAL ASSETS AND OTHER DEBITS	13,648,752	12,658,582	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	778,136	291,787	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0		3
Customer Deposits (4040)*	2,489	3,094	4
Current Maturities--Long-Term Debt (4050)*	151,200	144,300	5
Current Maturities--Capital Leases (4060)*	0		6
Income Taxes--Accrued (4070)*	38,139	(38,909)	7
Other Taxes--Accrued (4080)*	(24,988)	(23,689)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0		10
Other Accrued Liabilities (4120)*	30,377	31,030	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES	975,353	407,613	
LONG-TERM DEBT			
Funded Debt (4210)*	3,654,761	3,811,726	13
Premium on Long-Term Debt (4220)*	0		14
Discount on Long-Term Debt (4230)*	0		15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0		17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*		0	19
TOTAL LONG-TERM DEBT	3,654,761	3,811,726	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	0		20
Unamortized Operating ITC--Net (4320)*	0	47,283	21
Unamortized Nonoperating ITC--Net (4330)*	0		22
Net Noncurrent Deferred Operating Income Taxes (4340)*	405,674	525,334	23
Net Deferred Tax Liability Adjustments (4341)*	9,592	(18,588)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(168,095)	(136,917)	25
Other Deferred Credits (4360)*	255,442	77,826	26
Deferred Tax Regulatory Liability (4361)*	15,173	49,233	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	517,786	544,171	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	564,860	564,860	28
Additional Paid-in Capital (4520)*	0		29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	59,630	186,688	31
Retained Earnings (4550)*	7,876,362	7,143,524	32
TOTAL STOCKHOLDERS' EQUITY	8,500,852	7,895,072	
TOTAL LIABILITIES AND OTHER CREDITS	13,648,752	12,658,582	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

None

2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

During 1999, the Company adopted the AICPA, Accounting Standards Executive Committee, Statement of Position 98-1.

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Computer Systems Limited Liability Corporation	CSLLC	1

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

Particulars				
(a)	(b)	(c)	(d)	(e)
Docket	6000AT101			
Name of Affiliate	CSLLC			1
Designate whether billed to or from:	FROM			2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	M			3
Total Dollar Activity	139,775			4
Percent of affiliate's business billed to all affiliated regulated utilities	61.86			5
If cost based, rate of return on equity or markup incorporated in billings				6
Footnotes				

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	26,338		1
Motor Vehicles	2112	179,983		2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	214,823	6,509	6
Buildings	2121	1,021,691	21,653	7
Furniture	2122	39,868		8
Office Equipment	2123	27,902	4,194	9
General Purpose Computers	2124	92,781	11,380	10
TOTAL--GENERAL SUPPORT ASSETS:		1,603,386	43,736	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	3,275,736	2,074,467	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	1,575,319	151,534	16
TOTAL--CENTRAL OFFICE ASSETS:		4,851,055	2,226,001	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	22,609		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		22,609	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	4,301		22
Aerial Cable	2421	2,561	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	6,478,116	430,154	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	0		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		6,484,978	430,154	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			26,338	1
2112			179,983	2
2113			0	3
2114			0	4
2115			0	5
2116			221,332	6
2121			1,043,344	7
2122			39,868	8
2123	2,625	0	29,471	9
2124			104,161	10
	2,625	0	1,644,497	
2211			0	11
2212	985,542	0	4,364,661	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	1,726,853	16
	985,542	0	6,091,514	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			22,609	21
	0	0	22,609	
2411	3,874		427	22
2421	0	0	2,561	23
2422	0	0	0	24
2423	0	0	6,908,270	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			0	30
	3,874	0	6,911,258	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
AMORTIZABLE ASSETS				
Leasehold Improvements	2682	0		32
Intangibles	2690	6,713		33 A
TOTAL--AMORTIZABLE ASSETS:		6,713	0	
TOTAL TELECOM. PLANT IN SERVICE	2001	12,968,741	2,699,891	
Less: Allocation to Nonregulated Activity - EOY	2001			34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001			

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690		(6,713)	0	33 A
	0	(6,713)	0	
	992,041	(6,713)	14,669,878	
2001			0	34
			14,669,878	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	16,942	4,194	1
Company Communications Equipment	2123.2	10,960		2
Software	2212.1	0		3
Digital Switching - Central Office	2212.2	3,275,736	2,074,467	4
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	1,575,319	151,534	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	2,561		14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	0		17
Buried Cable - Metallic	2423.2	6,478,116	430,154	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS) **(cont.)**

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1	2,625		18,511	1
2123.2			10,960	2
2212.1			0	3
2212.2	985,542		4,364,661	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			1,726,853	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			2,561	14
2422.1			0	15
2422.2			0	16
2423.1			0	17
2423.2			6,908,270	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	105,440	20.0	16,122		1c
Aircraft	2113	0				2
Special Purpose Vehicles	2114	0				3
Garage Work Equipment	2115	0				4
Other Work Equipment	2116	184,491	10.0	21,646		5
Buildings	2121	356,328	2.5	25,736		6
Furniture	2122	39,868				7
Office Equipment	2123	24,911	13.51	1,668		8B
General Purpose Computers	2124	92,781	20.0	11,380		9
Total-- GENERAL SUPPORT ASSETS		803,819		76,552		0
CENTRAL OFFICE ASSETS						
Analog Electronic Switching	2211	0				10
Digital Electronic Switching	2212	2,741,597	10.0	435,118		11B
Electro-Mechanical Switching	2215	0				12
Operator Systems	2220	0				13
Radio Systems	2231	0				14
Circuit Equipment	2232	648,191	10.0	167,554		15
Total-- CENTRAL OFFICE ASSETS		3,389,788		602,672		0
INFORMATION ORIG/TERM ASSETS						
Station Apparatus	2311	0				16
Customer Premises Wiring	2321	0				17
Large Private Branch Exchanges	2341	0				18
Public Telephone Terminal Equipment	2351	0				19
Other Terminal Equipment	2362	2,447	15.0	3,391		20
Total-- INFORMATION ORIG/TERM ASSETS		2,447		3,391		0
CABLE WIRE FACILITIES ASSETS						
Poles	2411	4,301				21
Aerial Cable	2421	2,561	7.14			22
Underground Cable	2422	0				23
Buried Cable	2423	3,356,936	5.0	330,834		24
Submarine Cable	2424	0				25
Deep Sea Cable	2425	0				26
Intrabuilding Network Cable	2426	0				27
Aerial Wire	2431	0				28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	0			29
Total-- CABLE WIRE FACILITIES ASSETS		3,363,798		330,834	0
Total Accumulated Depreciation	3100	7,559,852		1,013,449	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					121,562	1 c
2113					0	2
2114					0	3
2115					0	4
2116					206,137	5
2121					382,064	6
2122					39,868	7
2123	2,625				23,954	8 B
2124					104,161	9
	2,625	0	0	0	877,746	
2211					0	10
2212	985,542				2,191,173	11 B
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				815,745	15
	985,542	0	0	0	3,006,918	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					5,838	20
	0	0	0	0	5,838	
2411	3,874				427	21
2421	0				2,561	22
2422	0				0	23
2423	0				3,687,770	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	3,874	0	0	0	3,690,758	
3100	992,041	0	0	0	7,581,260	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	13,951	10.0	1,668	1
Company Communications Equipment	2123.2	10,960	20.0		2
Software	2212.1	0			3
Digital Switching - Central Office	2212.2	2,741,597	10.0	435,118	4
Digital Switching - Remote	2212.3	0			5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	648,191	10.0	167,554	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	0			12
Aerial Cable - Nonmetallic	2421.1	0			13
Aerial Cable - Metallic	2421.2	2,561	7.14		14
Underground Cable - Nonmetallic	2422.1	0			15
Underground Cable - Metallic	2422.2	0			16
Buried Cable - Nonmetallic	2423.1	0			17
Buried Cable - Metallic	2423.2	3,356,936	5.0	330,834	18
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	0			20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1	2,625				12,994	1
2123.2					10,960	2
2212.1					0	3
2212.2	985,542				2,191,173	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					815,745	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					2,561	14
2422.1					0	15
2422.2					0	16
2423.1					0	17
2423.2					3,687,770	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	7,143,524	6,646,784	1
Changes:			
Balance Transferred from Income	1,015,268	779,169	2
Dividends Declared:			
Common	282,430	282,429	3
Preferred		0	4
Total Dividends Declared	282,430	282,429	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>7,876,362</u>	<u>7,143,524</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	1,168,910	1,079,514	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	1,168,910	1,079,514	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	223,184	205,263	11
Switched Access Revenue (5082)*	1,008,228	1,027,331	12
Special Access Revenue (5083)*	20,472	16,376	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,251,884	1,248,970	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	906,298	818,803	15
Special Access Revenue (5084.3)*	137,030	53,093	16 D
TOTAL INTRASTATE ACCESS REVENUES (5084)	1,043,328	871,896	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	13,148		17 F
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	13,148	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	73,729	74,239	30
Rent Revenue (5240)*	0	0	31
Corporate Operations Revenue (5250)*	0	0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	15,678	3,853	33 E
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	15,678	3,853	
Interstate Billing and Collection Revenue*	80,678	88,147	39
Intrastate Billing and Collection Revenue*	59,166	67,341	40
Total Carrier Billing and Collection Revenue (5270)*	139,844	155,488	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	229,251	233,580	
GROSS OPERATING REVENUES	3,706,521	3,433,960	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	27,965	5,709	42 G
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	27,965	5,709	
TOTAL OPERATING REVENUES	3,678,556	3,428,251	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)	0	(2,151)	1
Less: Nonregulated	0	0	2
Net Regulated	0	(2,151)	3
Total General Support Expense (6120)	51,947	48,461	4
Less: Nonregulated	0	0	5
Net Regulated	51,947	48,461	6
Total Central Office Switching Expense (6210)	216,103	171,653	7
Less: Nonregulated	0	0	8
Net Regulated	216,103	171,653	9
Total Operator Systems Expense (6220)	0	0	10
Less: Nonregulated	0	0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	39,945	16,430	13
Less: Nonregulated	0	0	14
Net Regulated	39,945	16,430	15
Total Information Orig. / Term. Expense (6310)	0	0	16
Less: Nonregulated	0	0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	298,301	214,855	19
Less: Nonregulated	0	0	20
Net Regulated	298,301	214,855	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	606,296	449,248	
Less: Nonregulated	0	0	
Net Regulated	606,296	449,248	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)		0	22
Less: Nonregulated		0	23
Net Regulated	0	0	24
Total Network Operations Expense (6530)	180,515	151,972	25
Less: Nonregulated	0	0	26
Net Regulated	180,515	151,972	27
Access Expense (6540)	27,712	0	28
Less: Nonregulated	0	0	29
Net Regulated	27,712	0	30
Total Depreciation and Amortization Expense (6560)	1,017,409	1,114,798	31
Less: Nonregulated		0	32
Net Regulated	1,017,409	1,114,798	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	1,225,636	1,266,770	
Less: Nonregulated	0	0	
Net Regulated	1,225,636	1,266,770	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	0	0	34
Less: Nonregulated	0	0	35
Net Regulated	0	0	36
Total Services (6620)	407,662	340,510	37
Less: Nonregulated	0	0	38
Net Regulated	407,662	340,510	39
TOTAL CUSTOMER OPERATIONS EXPENSE	407,662	340,510	
Less: Nonregulated	0	0	
Net Regulated	407,662	340,510	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	179,524	137,572	40
Less: Nonregulated	0	0	41 L
Net Regulated	179,524	137,572	42
Total General and Administrative (6720)	121,906	147,488	43
Less: Nonregulated	0	0	44
Net Regulated	121,906	147,488	45
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated	0	0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	301,430	285,060	
Less: Nonregulated	0	0	
Net Regulated	301,430	285,060	
TOTAL EXPENSES	2,541,024	2,341,588	
Less: Nonregulated	0	0	
Net Regulated	2,541,024	2,341,588	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)		0	1
Provisioning Expense (6512)		0	2
Total: Reported in Account 6510	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	1,010,696	1,114,798	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)	6,713	0	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)		0	7
Total: Reported in Account 6560	1,017,409	1,114,798	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	3,706,521	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		
None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>3,706,521</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	1,168,910	1
Plus: Total Intrastate Access Revenues (5084)	1,043,328	2
Plus: Total Long Distance Network Services Revenue	13,148	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify):		
None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>2,225,386</u>	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	3,706,521	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>3,706,521</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	1,168,910	1
Plus: Total Intrastate Access Revenues (5084)	1,043,328	2
Plus: Total Long Distance Network Services Revenue	13,148	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>2,225,386</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	0	0	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	(47,283)	(47,284)	2
Operating Federal Income Taxes (7220)	346,349	348,020	3
Operating State and Local Income Taxes (7230)	70,838	74,214	4
Operating Other Taxes (7240)	188,330	202,031	5
Provision for Deferred Operating Income Taxes--Net (7250)	(76,219)	(126,433)	6
TOTAL OPERATING TAXES (7200)	482,015	450,548	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	22,351	1,020	7
Interest Income (7320)	349,612	215,714	8
Income from Sinking and Other Funds (7330)	0		9
Allowance for Funds Used During Construction (7340)	0		10
Gains or (Losses) from the Disposition of Certain Property (7350)	0		11
Other Nonoperating Income (7360)	399,644	281,375	12
Special Charges (7370)	1,800	1,525	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	769,807	496,584	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	285,659	200,853	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	195,580	199,104	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)	0	0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	71,183	46,427	17

NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

Nonregulated Activity (a)	
Internet services	1
Lease of telecommunications equipment	2
Sale of telecommunications equipment	3

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	0	0	1 H
Extended Area Service	0	0	2 H
Extended Community Calling	1,368	5,937	3
Other Local-Undefined	0	0	4 H
Total Local	1,368	5,937	
TOLL			
Toll	168	1,940	5
Total Toll	168	1,940	
Total Local & Toll	1,536	7,877	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	1
Feature Group A -- Term.	106	0	0	0	2
Feature Group B -- Orig.	5	0	0	0	3
Feature Group B -- Term.	0	0	0	0	4
Feature Group C -- Orig.	0	0	1,486	0	5
Feature Group C -- Term.	0	0	1,208	0	6
Feature Group D -- Orig.	3,167	3,357	1,477	0	7
Feature Group D -- Term.	7,023	4,893	566	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	116	1
Strand miles of plant - fiber optics	1,471	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	2	6	1
56 kbps	4	4	2
64 kbps (DS0)	0	1	3 M
1.54 Mbps (DS-1)	3	6	4
45 Mbps (DS-3)	0	0	5 M
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	116	1
Strand miles of plant - fiber optics	1,471	2
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1.54 Mbps (DS-1)	3	6	4
45 Mbps (DS-3)	0	0	5 M
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	709	709	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks			6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks	348	348	9
Mobile (Utility Provided Service)			10
Paging (Utility Provided Service)			11
FX-Out (Switched)			12
Pay Telephone		12	13
Coin-Operated Pay Telephone	0	10	14
Independent Pay Telephone Provider	0	16	15
Pay Stations - Public	10		16
- Semi-Public	11		17
- Cust. Owned	19		18
Other			19
Total Business Lines	1,097	1,095	20
Residential (Incl. Emp. Concess.)			
1 Party	3,623	3,780	22
2 Party			23
4 Party			24
FX-Out (Switched)			25
Other			26
Total Residential Lines	3,623	3,780	27
Total Bus & Res Lines	4,720	4,875	28
Company Used Lines			29
Total Lines Used	4,720	4,875	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	2	2	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA			5
Special Access-intraLATA			6
(expressed in equiv. access lines)	82	155	7
Special Access-interLATA			8
(expressed in equiv. access lines)	57	78	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	8	6	11
Feature Group C Trunks			12
Feature Group D Trunks	522	532	13
TSPS - Trunks	20	20	14
EAS - Trunks	76	112	15
Cellular Trunks (Pub. Sw. Net.)			16
Video Distance Learning			17
- discounted (special tariff)			18
Customers			
Business - 2 Party Customers			19
Business - 4 Party Customers			20
Residential - 2 Party Customers			21
Residential - 4 Party Customers			22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical			24
location of plant)	11,358,642	13,025,381	25
Total Company Square Miles	620	620	26
Total Company Route Miles	1,520	1,585	27
Footnotes		N	28
			29
			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0090	1230	2230	4240	1
Business					2
1 Party	129	176	109	295	3
2 Party					4
4 Party					5
PBX Trunks/System Trunks					6
Centrex Trunks	---CONF---	---CONF---	---CONF---	---CONF---	7
Centrex Lines					8
Key System Trunks	34	94	32	188	9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone	3	3	1	5	13
Coin-Operated Pay Telephone	4	1	1	4	14
Independent Pay Telephone Provider	0	4	2	10	15
Pay Stations - Public					16
- Semi-Public					17
- Cust. Owned					18
Other					19
Total Business Lines	170	278	145	502	20
Residential (Incl. Emp. Concess.)					21
1 Party	946	809	836	1,189	22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	946	809	836	1,189	27
Total Bus & Res Lines	1,116	1,087	981	1,691	28
Company Used Lines					29
Total Lines Used	1,116	1,087	981	1,691	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0090	1230	2230	4240	1
Miscellaneous					2
WATS Lines - OutWATS		2			3
WATS Lines - 800 Service	0				4
FX-In-intraLATA					5
Special Access-intraLATA (equiv. access lines)	2	52	3	98	6
Special Access-interLATA (equiv. access lines)	0	26	0	52	7
Feature Group A Lines	0	0	0	0	8
Feature Group B Trunks				6	9
Feature Group C Trunks					10
Feature Group D Trunks				532	11
TSPS - Trunks	5			15	12
EAS - Trunks	56			56	13
Cellular Trunks (Pub. Sw. Net.)					14
Video Distance Learning					15
- discounted (special tariff)					16
Customers					17
Business - 2 Party Customers					18
Business - 4 Party Customers					19
Residential - 2 Party Customers					20
Residential - 4 Party Customers					21
Other					22
Exchange C.O., Info. Orig./Term., & Cable					23
Wire Fac. Assets (based on physical location of plant)	2,995,838	2,865,584	2,605,076	4,558,883	24
Exchange Square Miles	259	105	122	134	25
Exchange Route Miles	423	358	336	468	26
Footnotes	N				27

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

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Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	ALMOND	COLOMA	HANCOCK	PLAINFIELD	1
PSCW Exchange ID	0090	1230	2230	4240	2
Central Office Name	ALMOND	COLOMA	HANCOCK	PLAINFIELD	3
PSCW Central Office ID	1	1	1	1	4
Manufacturer of COE (Page 54)	SC	SI	SI	SI	5
Year COE Installed	1982	1999	1999	1999	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote	S	R	R	H	8
Remote Host PSCW Exchange ID		4240	4240		9
Remote Host PSCW Central Office ID	0	1	1	0	10
COE Generic Software Release No.	20	17	17	17	11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	Yes	Yes	Yes	Yes	13
Access Lines - In Use	1,101	1,075	973	1,639	14
- Equipped	1,316	1,444	1,364	2,412	15
- Wired	1,380	1,968	1,584	3,680	16
Trunks - In Use	153	384	288	1,840	17
- Equipped	228	384	288	3,504	18
- Wired	228	384	288	4,080	19
ISDN Available?	No	Yes	Yes	Yes	20
ISDN Lines - In Use (BRI)	0	0	0	0	21
- In Use (PRI)	0	0	0	0	22
Switched 56 Service?	No	No	No	No	23
Switched 56 lines in use	0	0	0	0	24
Digital Transmission Facilities: DS-1 - In Use	0	3	0	2	25
DS-3 - In Use	1	0	0	0	26
Advanced Data Service Available:					
Packet Switching?	No	No	No	No	27
SMDS?	No	No	No	No	28
Frame Relay?	No	No	No	No	29
ATM (Asynchronous Trans. Mode)?	No	No	No	No	30
Video Information - Service Available?	No	No	No	No	31
- In Use (# lines) ¹	0	0	0	0	32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	36	28	24	72	33
No. of fiber strands working (LIT) in C.O.	14	8	4	20	34
No. of fiber strands for interoffice use	86	16	35	122	35
Miles of fiber sheath in wire center	31	25	18	42	36
Access Tandem Serving this C.O.:					
- C.O. Name	PLAINFIELD	PLAINFIELD	PLAINFIELD	PLAINFIELD	37
- PSCW C.O. ID	4240-01	4240-01	4240-01	4240-01	38
Does this C.O. do access tandem switching?	No	No	No	Yes	39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes	Yes	40
Equal Access: IntraLATA (1+)?	Yes	Yes	Yes	Yes	41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**General Footnote****Accountants Compilation Report**

To the Board of Directors
The Union Telephone Company
Mosinee, Wisconsin

We have compiled the balance sheets of The Union Telephone Company as of December 31, 1999 and 1998, and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 47 through 55.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

The supplementary information contained on pages 47 through 55 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

Madison, Wisconsin
March 24, 2000

Schedule Footnotes

Schedule Line Footnotes

- A) To eliminate Intangibles account 2690.
- B) Actual depreciation rates vary between sub-accounts. Composite rate is given.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- C)** Vehicles depreciated on a per unit basis.
- D)** Increased Ameritech billing in 1999 for Intrastate special access.
- E)** Increase is due to adjustment of balance sheet accounts from prior year.
- F)** Increase is due to new VDL contract with Access WI.
- G)** Increase is due to large write-off of accounts receivable in 1999 for uncollectible accounts.
- H)** Local telephone calls and minutes of use data are not available for lines 1, 2, and 4 of page 47. Union Telephone Company is a flat rate company and the cost incurred for the necessary software and record keeping for usage sensitive recording would not be practical for information that will not be used elsewhere.
- I)** Additional expenses were incurred due to new switch equipment installed in 1999.
- J)** Increased OSP construction and maintenance in 1999 due to favorable weather.
- K)** TEACH and USAC charges were incurred in 1999. Included in corporate expenses in 1998.
- L)** Management attended more conventions and related activities in 1999. There were also payroll and miscellaneous other increases.
- M)** The reported amount of special access circuits is zero at EOY.
- N)** Pay stations classified on lines 16-18 in 1998 were moved to lines 13-15 for 1999 EOY data to properly reflect nonregulated status.